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SECRETARY  
FI - Meetings

9 May 1968

MEMORANDUM FOR THE RECORD

SUBJECT : Meeting Regarding Computerized Payrolling, 1000 Hours,  
9 May 1968

PRESENT:

[Redacted]

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1. Mr. Bannerman opened the meeting by saying that he was concerned with regard to the possibility (1) that payrolls may not be properly documented and (2) that pending legislation could cause difficulty with regard to getting out the payrolls. He indicated that he had been lead to believe that our pay-rolling systems were the result of patchwork programming and that there was a possibility that our payrolling system could fail if taxed to any greater degree.

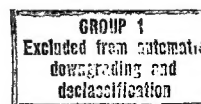
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2. [Redacted] said that the possibility of a failure of the payroll systems had probably been over-dramatized. He said the possibility of missing a payroll is remote and that the very worst that could happen could be a slippage of a day or two. He said that recent investigation had shown that we can still make way for several more deductions before we would reach a real saturation point. He indicated that a major element is the time required for programming. Mr. Coffey indicated that the timeliness of making a change was a major factor and it was agreed that we can anticipate the passage of some laws and get some programming done ahead of the actual passage of the law.

3. Of the changes currently requested the preparation of the [Redacted] [Redacted] are less difficult than making additional deductions, such as payments to credit unions or to other banking institutions. It was noted that the payrolls do need to be reprogrammed. Each additional patch takes more time and gets more difficult. OCS works a lot of overtime. A complete reprogramming could eliminate a part of this overtime and also eliminate some of the risk of missing a payroll.

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4. It was agreed that it would take a year to a year and a half to get the SIPS payroll system in effect. The concept of the system has been established but the design has not been started. A large part of the problem is that we now have two payroll systems; one which operates on a two-week basis and is relatively simple, and another which operates on a four-week basis and is very difficult. The four-week payroll is the one which needs improvement most.

5. The question arose as to which should be done first; the vouchered, which is easy, or the confidential, which is more difficult. The first thought was that we might expedite a revised vouchered payroll system, but the comment was made that this is why we are in the present situation - if the difficult one had been completely designed first, then the less difficult could have been fitted to that system much more easily.

6. It was generally agreed that a single payroll could be operated faster and would be less expensive than having the present two systems. The discussions brought out further that vouchered payrolls are affected primarily by changing laws, whereas the confidential payroll may be changed in many ways. The vouchered payroll tends to have continuity, while the confidential system has constant change.

25X1 7. Mr. Bannerman summarized by saying that from all the discussion it was his understanding the present payroll systems are operating adequately and that they can be continued even with some add-ons. He indicated that the timetable for SIPS is all right with him so long as the present system continues to work. He recognized, however, that some basic decisions regarding pay-rolling must be made. [ ] indicated that we are stuck with the present system for at least 18 months.

25X1 8. Mr. Bannerman asked [ ] and OCS to focus on the following problems: (1) Should there be one system or two? (2) Can the time element for reprogramming be contracted in any way? (3) What resources will be required?

25X1 9. [ ] indicated that they have a big problem with the time element in responding to requests levied on them and that deadlines should not be established unless absolutely necessary.

25X1 [ ]  
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